

COASTAL CONSERVANCY

Staff Recommendation

May 27, 2004

EASTERN SWETT RANCH ACQUISITION

File No. 04-023

Project Manager: Ann Buell

RECOMMENDED ACTION: Authorization to disburse up to \$575,000 to the Solano Land Trust toward the acquisition of the 1,408-acre Eastern Swett Ranch in Solano County.

LOCATION: Eastern Swett Ranch is located east of the City of Vallejo, north of the City of Benicia, and southwest of the City of Fairfield, Solano County (Exhibits 1 and 2).

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: Project Location in San Francisco Bay Area

Exhibit 2: Regional Location Map

Exhibit 3: Eastern Swett Ranch Location Map

Exhibit 4: Photographs of the Eastern Swett Ranch

Exhibit 5: Tri-City and County Cooperative Planning Area Map

Exhibit 6: Letters of Support

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed five hundred seventy-five thousand dollars (\$575,000) to the Solano Land Trust (“SLT”) toward the acquisition of the Eastern Swett Ranch in Solano County, Assessor Parcel Numbers 182-070-02, 182-080-01, 182-080-02, as shown on Exhibit 3 to the accompanying staff recommendation.

This authorization is subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for acquisition, the SLT shall:
 - a. Submit for review and approval of the Executive Officer all relevant acquisition documents including but not limited to, the appraisal, agreement(s) of purchase and sale, escrow instructions and documents of title.
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- b. Provide evidence to the Executive Officer that all additional funds needed to complete the acquisition have been obtained.
2. The SLT shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
3. The SLT shall permanently dedicate the property for habitat, open-space preservation, resource enhancement and restoration, and outdoor public recreational use, in a manner acceptable to the Executive Officer, and in accordance with Public Resources Code Section 31116(b).
4. Conservancy funding shall be acknowledged by erecting and maintaining on the property a sign whose design and location have been reviewed and approved by the Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying Staff Recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with Public Resources Code Sections 31160-31164, regarding the Conservancy’s mandate to address the resource and recreational goals of the San Francisco Bay Area.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The Solano Land Trust is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the California Public Resources Code.”

PROJECT SUMMARY:

Staff requests authorization to disburse up to \$575,000 to the Solano Land Trust (SLT) toward the acquisition of the 1,408-acre Eastern Swett Ranch in unincorporated Solano County. This acquisition will protect wildlife habitat, agricultural lands, and scenic open space (Exhibit 4), and will provide opportunities for compatible public recreation. SLT will purchase the property from Pacific Gas & Electric (PG&E) at the appraised value of \$2.1 million by the fall of 2004 with committed matching funds from the participating public agencies, plus the requested Conservancy funds.

This acquisition will be the second of three planned purchases from PG&E: the first was the 1,575-acre King Ranch purchased by SLT in 2002, with funding from the Conservancy, and the last will be the 905-acre Vallejo Swett Ranch (Exhibit 3), anticipated by spring 2006. Per an option agreement for purchase and sale between PG&E and SLT, the Vallejo Swett Ranch will be sold at a substantial discount if the King and Eastern Swett Ranches are purchased first. The three ranches together comprise approximately 3,888 acres.

The Eastern Swett Ranch lies within a 10,000-acre planning area (Exhibit 5) designated to remain in open space and agricultural use by the Cities of Benicia, Vallejo, and Fairfield, and the County of Solano in their *Tri-City and County Agricultural and Open Space Preservation Plan* (1994). Of interest to these municipalities are the recreational opportunities the scenic expanse of

the Eastern Swett and the already-purchased King Ranch will offer to the region, including hiking, bicycling, horseback riding, and other passive recreational pursuits. All parties are also interested in preserving this area for grazing, and preserving an open space buffer between the cities. The Solano Land Trust shares these interests while also focusing on the protection and enhancement of the property's wildlife values.

The Eastern Swett Ranch provides habitat for the federally threatened California red-legged frog and is a core element of the U.S. Fish and Wildlife Service's designated critical habitat area for the species. Contiguous with the 1,575-acre King Ranch, it will be managed together with the King Ranch for resource protection and enhancement, public outdoor recreation and education, and grazing in non-sensitive habitat areas. A biological survey of the Eastern Swett and Vallejo Swett Ranches was completed in 2002 and a full management plan for these two ranches is currently in development.

Public access will be provided for the Eastern Swett Ranch through a protected open space area known as the "Orchards parcel," located in a narrow valley ("Sky Valley") between the Eastern Swett and Vallejo Swett Ranches and accessed by public roads running through the Hiddenbrooke development (Exhibit 5). This open space area is protected by a conservation easement jointly held by SLT and the Tri-City and County Cooperative Planning Group (Joint Powers Authority). Underlying fee title to the staging area will be transferred to the City of Vallejo from the developers completing the Hiddenbrooke complex within a year. SLT will provide access to the property through docent-led walks or tours, and will develop a public access management plan providing for other passive public recreational uses consistent with resource protection by September 2005. Upon completion of the management plan, public access will be expanded beyond docent-led walks. It is anticipated that hiking, biking, picnicking, and possibly horseback-riding will be allowed on the property.

The SLT is a nonprofit land trust incorporated in 1986. Its mission is to preserve and protect farmlands, wetlands, rangelands, open space, and wildlife habitat. It currently holds fee title or easements over more than 11,000 acres of Solano County lands. Key holdings include the King Ranch, Rush Ranch in Suisun Marsh, Lynch Canyon, and the Jepson Prairie Preserve.

There is no open space district in Solano County, although a coalition of nonprofit groups and local public agencies, including those contributing to this acquisition, have been trying to establish one for several years. Regionally, Solano County ranks last among the nine Bay Area counties in land protection, with a little less than 11 percent of its land protected to date. Strong public support for this project is evidenced by the committed matching funds listed under the "Project Financing" section below and in the letters of support (Exhibit 6).

Site Description: The 1,408-acre Eastern Swett Ranch is located in a triangle-shaped area formed by Interstate 80, Interstate 680, and Interstate 780 (Exhibit 2). The City of Vallejo lies to the west, Benicia to the south, and Fairfield to the northeast. The Eastern Swett Ranch is contiguous with the King Ranch and connected to the Vallejo Swett Ranch through a narrow conservation easement in Sky Valley, as shown in Exhibits 3 and 5. It is zoned A-20, exclusive agricultural, with 20-acre minimum site size and one house plus associated farm buildings allowed on each 20 acres of site area (*Solano County General Plan*).

A single dirt road or ATV trail loops through the western half of the property. There are no buildings other than a single, old windmill near the western boundary of the property (Exhibit 4).

The far western portion of the Eastern Swett Ranch is within the sphere of influence of the City of Vallejo, but the majority of the property is under the jurisdiction of Solano County only.

The Eastern Swett Ranch is characterized by steep hills (25-80 percent slopes) separated by shallow saddles and steep narrow creek drainages (Exhibit 4). The property supports a diverse assemblage of plant and animal species including up to 307 vascular plants, 116 birds, 21 mammals and eight reptiles and amphibians. In total, riparian areas cover roughly 17 percent of the property. Primary riparian species include bay laurel and coast live oak with scattered California buckeye, arroyo willow, and blue elderberry. These riparian areas add substantial habitat complexity to the property to the benefit of all wildlife species occurring here. Non-native annual grassland is by far the most widespread habitat type, covering 90 percent of the property. Of significance is the locally common forb Johnny-jump-up, the host plant for the federally endangered Callippe silverspot butterfly (*Speyeria callippe callippe*). Lentic habitats include stock ponds and seasonal ponds, several of which support robust populations of Pacific tree frogs.

Although not recorded on the Eastern Swett Ranch, the federally threatened California red-legged frog is very likely to occur given its presence on the neighboring Vallejo Swett and King Ranches. A biological survey of California red-legged frogs on the neighboring Vallejo Swett Ranch conducted in 1996 for PG&E included the following quote, reported by SLT in their own biological survey of the Eastern and Vallejo Swett Ranches in 2002, p. 24:

In summary, the Swett Ranch CRF [California red-legged frog] pond complex is one of the most prolific habitat site[s] for this subspecies which I have seen during over three decades of field work in the Bay Area. It is my professional opinion that preservation of this system should be a major consideration for any future plans for the Swett Ranch property.

The combination of the wide open grassland and the updrafts created as cool ocean air meets hot inland air makes the Eastern Swett Ranch an excellent site for foraging raptors including the sharp-shinned hawk, red-tailed hawk, American kestrel, prairie falcon, and golden eagle. The property provides nesting habitat for the white-tailed kite, northern harrier, red-tailed hawk, American kestrel, burrowing owl, and short-eared owl. Five bird species currently identified by the California Department of Fish and Game as species of special concern, threatened, or endangered may use the Eastern Swett Ranch for nesting and/or foraging habitat: Cooper's hawk, Swainson's hawk, golden eagle (known to forage here), burrowing owl (known to nest on the King Ranch), and short-eared owl.

Project History: The Solano Land Trust, formerly the Solano County Farmlands and Open Space Foundation, has been working with PG&E since the early 1990s to try to acquire 3,888 acres comprising the King Ranch, Eastern Swett Ranch, and Vallejo Swett Ranches in Solano County. The Conservancy authorized \$1,000,000 in 1999 and \$2,000,000 in 2001 for purchase of the King Ranch and a portion of the Eastern Swett Ranch. That purchase totaled 1,575 acres and was completed in July 2002. Since that time, SLT has been seeking funds for the purchase of the remaining 1,408 acres of the Eastern Swett and 905 acres of the Vallejo Swett. The Conservancy continues to give high priority to protection of all three of these ranches for their open space and habitat value, agricultural preservation, and recreation potential.

There is strong development pressure from the surrounding municipalities. However, the property lies within the *Tri-City and County Cooperative Plan for Agriculture and Open Space Preservation* area (1994), which was adopted by the surrounding Cities and the County of Solano in its General Plan, and which advocates preservation of a 10,000-acre area that includes the East-

ern Swett Ranch. Solano County also has an Orderly Growth Initiative (1994), valid until 2010, that directs urban growth and development to existing cities, requiring annexation of land into city limits prior to any urban development of the site. However, the large Hiddenbrooke housing and golf course development that has filled Sky Valley in the broad expanse between the Eastern and Vallejo Swett Ranches is an example of a discontinuous annexation by the City of Vallejo, and thus the Eastern Swett Ranch will not be fully protected from development until acquired.

The terms of purchase of these three ranches were set out in an option agreement for purchase and sale that PG&E and SLT entered into in January of 2001. This option agreement has been extended several times and currently has a sunset date of July 24, 2006. The option agreement specifies the order in which the ranches need to be purchased if a substantial discount is to be realized on the final purchase. The King Ranch was to be the first purchase, the Eastern Swett the second, and the Vallejo Swett the final purchase, although all ranches could be purchased concurrently. Some funds that may only be used at the Vallejo Swett have already been raised, but not enough to carry out purchase of both the Eastern Swett and Vallejo Swett at this time. Considerable effort expended by SLT to raise funds for these acquisitions is described in greater detail under the "Project Financing" section below.

PROJECT FINANCING:

Coastal Conservancy	\$ 575,000
Wildlife Conservation Board	1,000,000
County of Solano/City of Benicia	290,000
City of Fairfield	100,000
Greater Vallejo Recreation District	110,000
Tri-City and County JPA	<u>75,000</u>
Total Project Cost	\$2,150,000

The Conservancy's contribution of \$575,000 is expected to come from the Conservancy's FY 03/04 appropriation from the "Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002" (Proposition 50) for the State Coastal Conservancy. This proposed authorization is consistent with the funding source because this project will result in the acquisition and protection of watershed lands draining to the Carquinez Strait.

The Solano Land Trust (SLT) has worked diligently for the past year and a half to raise funds both for this acquisition and for the future acquisition of the Vallejo Swett Ranch. Recognizing that this acquisition is a high priority for the region and the state, the Conservancy's Executive Officer offered a challenge grant of \$500,000 to SLT in 2002. SLT met this challenge, but when one of the other sources of matching funds for this project fell through, the Conservancy's grant amount, if authorized, would be increased to \$575,000 to fill that gap.

Conservancy funds will be applied primarily toward the \$2.1 million purchase price, but up to \$50,000 may be used by the Solano Land Trust for acquisition-related costs such as escrow and legal fees as well as toward the required sign acknowledging Conservancy funding. SLT legal fees were larger than they might have normally been because of an encroachment problem caused by the Hiddenbrooke development that has been worked out and will be fully resolved at escrow. The committed matching funds totaling \$1,575,000 for this proposed project will come from the various sources listed above.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project is undertaken pursuant to Chapter 4.5 of the Conservancy's enabling legislation, Public Resources Code Sections 31160-31164, to address resource goals in the San Francisco Bay Area. In particular, the Conservancy may award grants to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional significance (§ 31162(b)); and promote, assist, and enhance projects that provide open space and natural areas that are accessible to urban populations for recreational purposes (§ 31162(d)). This project will protect habitat for wildlife and preserve unimpeded views of the ranch's rolling hills and Mt. Diablo, providing recreational opportunities and increased public access to open space for residents of Solano, Contra Costa, and Napa counties. It will also protect the watershed draining to the Carquinez Strait from development.

This project is appropriate for prioritization under the selection criteria set forth in § 31163(c) in that (1) it is consistent with the 1994 *Tri-City and County Cooperative Plan for Agriculture and Open Space Preservation*, and the general plans of the Cities of Benicia, Fairfield, Vallejo, and the County of Solano; (2) it serves a regional constituency that includes Benicia, Fairfield, Vallejo, and both Solano and Napa Counties; (3) it will be implemented in a timely way because all funding is committed; (4) it provides opportunities for benefits that could be lost if the project is not quickly implemented because the WCB funding must be spent by October 2004 and SLT must show progress toward acquisition of the ranches under the option agreement with PG&E; and (5) it includes \$1,575,000 of matching funds.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 10, Objective A**, the proposed project will result in the acquisition of 1,408 contiguous acres of upland habitat and watershed lands, and 5.75 miles of riparian habitat in Solano County.

Consistent with **Goal 11, Objective A**, the proposed project will result in a significant increase in land that will be accessible to the public for recreational purposes. The location and extent of recreational facilities and trails has not yet been determined, but the number of miles of trail is estimated at 8.8 miles.

Consistent with **Goal 12, Objective A**, the proposed project will protect approximately 1,000 acres of agricultural lands identified in the *Tri-City and County Cooperative Plan for Agriculture and Open Space Preservation*.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.

2. **Consistency with purposes of the funding source:** See the “Project Financing” section above.
3. **Support of the public:** This project is supported by Congressman George Miller, Congresswoman Ellen Tauscher, Senator Wesley Chesbro, Assemblywoman Lois Wolk, Assemblywoman Pat Wiggins, Tri-City and County Cooperative Planning Group for Agriculture and Open Space, County of Solano, Bay Area Ridge Trail Council, Carquinez Strait Preservation Trust, City of Benicia, City of Fairfield, City of Vallejo, Greater Vallejo Recreation District, Greenbelt Alliance, Solano County Orderly Growth Committee, and Pacific Gas & Electric (see Exhibit 6).
4. **Location:** The project is located in unincorporated Solano County between the cities of Benicia, Vallejo, and Fairfield. It is located within the Tri-City and County Cooperative Planning Area and is easily accessible to the populations of Contra Costa and Napa Counties in addition to all of Solano County.
5. **Need:** Project partners are providing the maximum amount of funding they can but the acquisition cannot take place in a timely manner as required by the option agreement for purchase and sale without the Conservancy’s support.
6. **Greater-than-local interest:** The Eastern Swett Ranch is a core element of the U.S. Fish and Wildlife Service’s designated critical habitat area for the California red-legged frog. Protection of the Eastern Swett Ranch, as part of the three-phase acquisition of the King, Eastern Swett, and Vallejo Swett Ranches, will constitute the largest publicly accessible open space in the county.

Additional Criteria

8. **Resolution of more than one issue:** This project protects resources, provides recreational opportunities, and prevents development and the invasive plants that encroaching development often introduces into open space areas.
9. **Leverage:** See the “Project Financing” section above.
13. **Realization of prior Conservancy goals:** The “Project History” section above provides a discussion of specific Conservancy goals realized through this acquisition. Regionally, Solano County ranks last among the nine Bay Area counties in land protection, with only a little more than 11 percent of its land protected to date, and thus this acquisition is a high priority for the Bay Area Program.
15. **Cooperation:** This project exemplifies cooperation and partnership, with major support from the Wildlife Conservation Board as well as from the Cities of Benicia, Fairfield, and Vallejo, the Greater Vallejo Recreation District, the County of Solano, and the Tri-City and County Joint Powers Authority. The seller, PG&E, has granted two extensions on the option for purchase and sale to allow time for the partner agencies and organizations to raise sufficient funds to purchase the King, Eastern Swett, and Vallejo Swett ranches.

COMPLIANCE WITH CEQA:

As a transfer of ownership of interest in land to preserve open space and habitat, including acquisition for the preservation and restoration of natural conditions, the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) under 14 Cal. Code of

Regulations Section 15325. The project is also exempt under § 15313, which provides a categorical exemption for the acquisition of lands for fish and wildlife conservation, including preservation of fish and wildlife habitat, where the purpose of the acquisition is to preserve the land in its natural condition. Upon approval, staff will file a Notice of Exemption for this project.